

COMMITTEE ON FINANCE

June 6, 2006

Upon Recess of BMA

Mayor Guinta called the meeting to order.

The Clerk called the roll.

Present: Aldermen Roy, Gatsas, Long, Duval, Osborne, Pinard, O'Neil,
Lopez, Shea, DeVries, Garrity, Smith, Forest

Absent: Alderman Thibault

Resolutions:

“Amending the FY 2001, 2002, and 2006 Community Improvement Programs, transferring, authorizing and appropriating funds in the amount of One Hundred Seventy Seven Thousand Six Hundred Fifty Dollars (\$177,650) for various CIP Projects.”

“Amending the FY2006 Community Improvement Program, authorizing and appropriating funds in the amount of One Thousand Two Hundred Dollars (\$1,200) for the 2006 CIP 214506 – Senior Wellness Funding Initiative Program.”

“Amending the FY2006 Community Improvement Program, authorizing and appropriating funds in the amount of Twenty Five Thousand Dollars (\$25,000) for the FY2006 CIP 612606 Citywide Marketing Plan Program.”

“Amending the FY2006 Community Improvement Program, authorizing and appropriating funds in the amount of Sixty Thousand Dollars (\$60,000) for FY2006 CIP 713406 Watershed Restoration Project.”

On motion of Alderman Roy, duly seconded by Alderman Pinard it was voted to dispense with the reading by titles only.

Alderman Roy moved that the Resolutions ought to pass and be enrolled.
Alderman O'Neil duly seconded the motion.

Alderman Gatsas stated in a time of wants and needs, I look at this \$25,000 that we are spending for a Citywide Marketing Plan Program. We had a parking consultant come in. We had somebody that came in and suggested changing our name so it is a different destination and how we are supposed to market ourselves. What is this \$25,000 for?

Mayor Guinta asked is that a grant from the state.

Mr. MacKenzie answered yes.

Alderman Gatsas asked can somebody explain to me...I guess maybe my question should be to the state then because I am looking at \$25,000...what is this marketing plan for.

Mayor Guinta replied to market the City of Manchester. We received a grant from DRED. We got notification within the last four months. We are a marketable City now. We have to go market. The state is offering it to us. I would like to accept it.

Alderman Gatsas stated I think if we went back your Honor and took some of it because it is funny because I had a previous Alderman stop into my office last week and bring me some studies that were done in 1974 that if you dusted them off and put 2006 on them you would swear we just did them. It is nothing when we start studying things here that other Aldermen in this City haven't studied 30 and 40 years ago. Maybe instead of spending this money we should sometimes look and see what these other studies that have been laying around for 30 years tell us because the study that was done for parking in 1974 is almost a duplicate of the one that we just paid an awful lot of money for in the last few months. I guess if the state is handing out \$25,000 I certainly don't begrudge the City of Manchester for taking it without a cost for marketing the City.

Alderman Forest stated I think in 1974 Home Depot would have done great because I think Elm Street was mostly plywood boards on windows. It didn't work then.

Mayor Guinta called for a vote on the motion that the Resolutions ought to pass and be enrolled. There being none opposed, the motion carried.

CIP Budget Authorizations:

340101 Manchester Community Resource Center-Revision #3 -
Closeout

310102	Expansion of MCRC – Revision #2 – Closeout
610505	Project Greenstreets – Revision #2
214406	Easter Seals Water Damage Remediation Project
214506	Senior Wellness Funding Initiative Program
310306	MCRC Basement Retrofitting
410106	Gang Interdiction
610606	Housing Rehabilitation/Lead Paint Hazard Remediation – Revision #2
612406	Neighborhood Revitalization Economic Incentive Program – Revision #3
612606	Citywide Marketing Plan Program – Revision #1
711306	Chronic Drain – Revision #1
713406	Watershed Restoration Project

On motion of Alderman O'Neil, duly seconded by Alderman Garrity it was voted that the CIP budget authorizations be approved subject to final adoption of related resolutions.

Appropriating Resolution:

“A Resolution appropriating to the Parking Fund the sum of \$6,603,825 from Parking for the Fiscal Year 2007.”

On motion of Alderman O'Neil, duly seconded by Alderman Pinard it was voted to read by title only and it was so done.

Alderman Gatsas moved to amend the resolution to \$6,902,025. That represents \$300,000 that I added in my budget for Saturday parking that was in the report that we paid handsomely for to have someone come in and study the parking situation here in the City.

Deputy City Clerk Johnson stated I would just ask that we refer to the resolution and ask what line items we are adding those to. There is a salaries and wages line item, expenses, debt service and employee benefits. You could put the difference in as a restricted item. We just want to make sure it adds up.

Alderman Gatsas replied it is on the revenue side. Where is the revenue side to the resolution?

Deputy City Clerk Johnson responded revenues are not appropriated. It would be an expenditure.

Alderman Gatsas stated it is an expenditure that increases the revenue side when you do it because your revenue goes up by \$300,000. It is on our blue sheet that

we all worked on as a Board. I will let the Finance Officer tell me where he wants it.

Mayor Guinta asked is there an expense associated...I mean is this action necessary. Essentially you are looking to reinstate charging for Saturday parking so if the Board approves that that would be a revenue. Is there an expense associated with it that we would have to appropriate?

Mr. Clougherty answered yes. \$6 million is the total appropriation so that a payment can be made to the general fund.

Mayor Guinta asked so in order to make that payment you have to amend the \$6.6 million.

Mr. Clougherty answered if you are going to increase the payment that you have on the general fund side to include the additional \$300,000 that Alderman Gatsas had on his budget.

Mayor Guinta stated and then there is a procedure by which this Board would have to then change the ordinance on Saturday parking as well.

Alderman O'Neil stated with all due respect to my colleague from Ward 2, the last time the consultant was in he named five or six action items. I think we have moved on a majority of those. I don't recall returning to enforcement of Saturday parking one of those. Having lived on the Board when we implemented Saturday parking, I know what we went through to get rid of it. I am a little cautious in moving in that direction tonight.

Mayor Guinta stated before we have discussion there is an amendment on the floor that requires a second correct.

Deputy City Clerk Johnson replied it would require a second and we would just note that the amendment given at \$300,000 is not a \$300,000 difference. It is \$298,200 using my calculator.

Alderman Gatsas stated then we will change it to \$6,903,825.

Deputy City Clerk Johnson responded so the motion on the floor would be to amend it to \$6,903,825 by increasing line item expenses by \$300,000. Am I understanding that correctly?

Alderman Gatsas replied that is correct.

Alderman Shea duly seconded the motion.

Alderman Forest stated again I want to reiterate what Alderman O'Neil said. I don't recall that we had talked in Committee about adding or changing the Saturday ordinance. I know in my interoffice packet this morning or yesterday I received a notice of posting for a new Parking Control Manager and I think we are putting the cart before the horse here. Let's interview and get the Parking Manager in before we start changing things. I think we ought to wait for the Parking Manager to tell us what is appropriate. Again, Saturday parking, you were involved with it as I was. We talked to a lot of people to eliminate the Saturday parking and it is going to be a fight to get it back. I agree with Alderman O'Neil on that.

Alderman Lopez stated I don't see any problem in putting the revenue in there. It is a separate action that has to be taken before the Finance Officer goes up to the DRA in Concord. If the Board changes it then he won't count the revenue because it would require an ordinance change to charge for Saturday. I don't see any problem with putting it in the budget at this stage of the game.

Mayor Guinta stated I have a question for Mr. Clougherty. If the appropriation is changed but at a later date the Board reaffirms the elimination of Saturday parking, how does that change what the Mayor and Finance Officer have to sign off on?

Mr. Clougherty replied what this does is it provides the opportunity for all of the revenues going into the Enterprise at some point to be transferred over to the general fund. If the amount that comes over to the general fund is less than what is in here obviously there is not going to be an expenditure on that side and the amount on the revenue side of the general fund would be reduced and there would be a tax consequence.

Alderman Roy stated as Kevin Clougherty just stated, all we are doing is putting in a placeholder for future revenues to come to the general fund. I personally, if it wasn't for budgetary reasons, like to see this at a greater number so that if more money is created in our parking fund over the next year that it can come to the general fund. While I don't support the Saturday parking, I would like to see the placeholder there so that if the funds are created they can come to the general fund. That being said, this is kind of rhetorical as to what number we use. We are just putting in a placeholder in the budget and then what we have in October will actually set the tax rate.

Alderman Gatsas stated I guess I need to give a little bit of an explanation of why I went to the Saturday and I was here when we removed Saturday parking and I

think that was all done under the auspicious of the Verizon Wireless Arena and how that was working and I think we all have to remember that when we sold the parking garage we gave up some \$280,000 worth of revenue that was produced there that we gave back to the Verizon Arena. Some place in here and I haven't seen it yet, but we have to still pay the Verizon. Now when you look at the Saturday venues that they have it makes no sense for us as a City not to gather some of those revenues from people that are coming to this great City through the gateway, either through Hands Across the Merrimack or the Granite Street bridge but I think it is important that we understand that when we do this and we do it correctly because if anybody drives down on Saturday and I know that a lot of the Aldermen are down here, if you come down at 9 AM watch who parks and watch who moves it is mostly the employees that are encumbering the spaces. I look at it and say in what City is there no parking or no charge for parking on Saturdays. I think it is imperative that when you start looking at whether we are going to increase taxes or whether we are going to do what a parking consultant told us to do and that is charge on Saturdays for a venue that is pretty attractive in the City for bringing an awful lot of out of staters to visit and having to find some \$200,000 that we have to make up from a revenue that we had from a parking garage to pay the Verizon Center, I would think that that would be the least we would do as prudent business people if that was our business. I am only looking at it as a prudent business decision and saying how do you find revenues because it is not like we can change the cost of the widget. I look at this and say we should be looking at it. We can't be narrow sighted when we look at it. We changed it from Saturday because we never knew what the venue at the Verizon Arena as going to be on Saturdays so we took the parking out on Saturdays. So I look at it and say where is the revenue going to come from because we still have that \$200,000 that we must find as a replacement for the Verizon Center.

Alderman O'Neil stated I would just like the Finance Officer to...he used a phrase that if something fails to happen there is a tax consequence. I just want him to walk me through it in simple terms so I make sure I understand it.

Mr. Clougherty stated the parking consultant recommended that you put in place an Enterprise with a different management approach and if you did that you should be able to increase your parking revenues by a percentage. This resolution before you sets up that Enterprise and that management and it anticipates that increased revenue. That is what was in the Mayor's budget. Included in this resolution will be the payments to Verizon. The net after those expenses are paid relating to parking will be transferred to the general fund. In the general fund budget that the Mayor presented to the Board and that is on the table in front of you, there is a revenue that is coming from the Parking Enterprise into the Finance Department. That revenue is going to be used to offset general fund expenses. If you increase the amount that the Mayor has in based on the consultant's study to

have an additional \$300,000 as Alderman Gatsas has recommended by doing some Saturday parking and that is included as an additional revenue, if the Board fails to go ahead and introduce the resolutions or as it has in the past gets a resolution out and as a result of public clamor withdraws the resolution then that revenue will not be realized.

Alderman O'Neil asked instead of resolution if we fail to enact ordinances correct. Would that be more appropriate?

Mr. Clougherty answered right. If we are out in October and the Mayor and I have to certify revenues to the Department of Revenue Administration and there is no an ordinance on the books that provides for a number of these parking changes we are not going to be able to include that revenue for a tax rate setting. Consequently, the presumption that the tax rate is going to be based on certain revenues is going to be adjusted and that means that the tax rate that is projected as part of the budget process will be lower than what the actual rate is. You have to be careful when you are adding revenue that you are going to take steps to make sure that the revenue is going to be there and stay in place for the duration of the fiscal period so that we can realize that revenue. Otherwise, it is going to be adjusted sometime in October/November.

Mayor Guinta asked has this Board in the Finance Committee decided that it wants to change the policy in terms of charging for Saturday parking.

Alderman O'Neil answered that has not been a discussion at the Committee on Public Safety and Traffic.

Alderman Osborne stated I was going to ask when does this have to go to the Public Safety and Traffic Committee for this to take effect if we go along with Alderman Gatsas' request. I am sure when it comes to my Committee we will discuss it very thoroughly.

Mayor Guinta stated it would have to go in immediately I would think.

Mr. Clougherty responded the \$300,000 as I understand it is a projection on revenue based on past experience, which was an annual projection so you really need to be getting something in place as early as you can in the fiscal year or you are not going to be able to...

Mayor Guinta interjected realize all of that revenue because it is based on a 12-month projection. It would have to be done immediately.

Mr. Clougherty stated again it is based on a 12-month projection that was perhaps a different rate at a different time. There is some leeway there certainly in the beginning of the fiscal year but you don't have a big window of time to debate this. If you are going to do this and include the revenue you really have to be moving expeditiously.

Alderman Osborne asked can we make that motion now.

Mayor Guinta asked which motion.

Alderman Osborne answered to refer it to Public Safety and Traffic.

Mayor Guinta stated I think there is already a motion on the floor.

Deputy City Clerk Johnson stated there is a motion on the floor to amend the resolution. Certainly the Committee on Traffic can take it up at the Chairman's discretion. We can place it on his agenda at any time.

Alderman O'Neil stated I just caution the Board. We made changes to Saturday parking around the time the arena was opening and then at some point later, within several months, changed the ordinance to eliminate Saturday parking. I don't know why we are revisiting that again.

Mayor Guinta stated I will make a statement about it. I am not sure where this Board wants to go but I think if we want to...there are a couple of issues that have been raised by Alderman Gatsas. I have appropriated dollars in the Enterprise fund to pay the dollars that go to the Verizon but his question is a reasonable one. My answer would be let's control the spending side rather than raising a revenue that I believe has a direct impact on bringing people downtown. As the downtown Alderman, I was looking to try to attract as many people as I could to the downtown area. I think last week we had a significant loss in this City in losing Baldwins on Elm Street. This, I don't think, is going to be a persuasive argument for business owners to come downtown and reestablish businesses because at the time I and Alderman Forest and previous Alderman Levasseur were at the meeting at the Palace where we heard from the downtown business owners who wanted to eliminate downtown parking. There are two issues. There is a Verizon issue but there is also the issue on downtown. Do we have a concern and a problem that we have to address with employees of employers parking downtown? Yes but the purpose of establishing the Parking Enterprise and restoring a long-term vision in overall oversight and management of that entity I think would be the controlling recommendation to this Board. I would hope that the Board would put that individual in place and then see the recommendations from that individual. I suspect and I hope that making parking an enterprise fund will increase the

revenues. Not necessarily by adding hours to the day but by managing the overall structure and the system.

Alderman O'Neil stated I don't disagree with Alderman Gatsas that there continues to be a problem regarding employers and employees taking spaces on Elm Street. I don't disagree with that at all. Am I correct to say that there will be an expense to have Saturday parking because we will have to have Parking Control Officers out?

Mayor Guinta responded you would have to have PCO's. You would have to change the stickers on the meters that exist today. We have an appropriation to eliminate some of the meters downtown as we start moving into the Smart Meters but if this ordinance goes into place prior to that we would have to...I don't know what the cost would be off the top of my head but there would be an expense there. There would be some expense. I assume the revenue would pay for those expenditures.

Alderman O'Neil asked so are we really ahead of the game then. I would hope it wouldn't cost us \$300,000 to do traffic enforcement but there would be some expense.

Mayor Guinta answered well there would be in order to pay people to write the tickets.

Alderman Long stated my opinion on Saturday parking is I don't believe we are ready for that with these meters as they are. If we are welcoming people into downtown...you know people are getting \$10 tickets for not being able to find a quarter. I agree with Saturday parking...I am willing to look at it again once we have the Smart Meters set-up because then it is more convenient and more appropriate. Right now having Saturday parking...I mean I hear examples of tickets everywhere from people not finding quarters. It is a hassle.

Alderman Osborne asked can we move the question. We can put this in Committee and go through all of this.

Alderman Lopez stated I still agree that the money should go in there as the Alderman indicated and the reason is that you still have until October to make a decision. I am sure that there is going to be...MDC and other people are going to have input in this. We are talking about apples and oranges number one. It doesn't hurt to put the \$300,000 into the budget as revenue. Most of you know that there is over \$6 million in that Parking Enterprise. The only thing that is going to come out of that Parking Enterprise fund are the expenses and \$3.5 million is going to come back. Adding \$300,000 then \$3.8 million would come

back and I think that is the whole issue. Now the ordinance that has to be passed for Saturday parking, we don't know what that might be. It might just be a portion of that revenue or hours during the day on Saturday if these Smart Meters go ahead. I don't see any harm at this stage of the game in including revenue in the budget. Come October, we will be under new revaluation numbers number one and \$300,000 will be three cents so I think we have plenty of time to sit down and analyze it a little bit and rethink it and if it is the will of the Board afterwards not to do it I don't think it is a problem. At this stage of the game for budget purposes I think it is fine.

Mayor Guinta called for a vote on the motion to amend the resolution to \$6,903,825 adding \$300,000 the line item expenses. Alderman Garrity requested a roll call vote. Aldermen Garrity, Smith, Forest, and O'Neil voted nay. Aldermen Roy, Gatsas, Long, Duval, Osborne, Pinard, Lopez, Shea, and DeVries voted yea. Alderman Thibault was absent. The motion carried.

Alderman Shea asked how much did you add to cover how much we have to pay to the Verizon for parking. How much did you add? Do you remember?

Mayor Guinta answered I would have to go back and look at the notes but I believe I based it on the previous payments.

Alderman Shea asked so basically the previous payments were close to \$400,000.

Mayor Guinta answered I think it was between \$300,000 and \$400,000.

Alderman Shea asked we pay them \$400,000 for people to park in Manchester or at least to go through the Verizon.

Mayor Guinta stated it was the agreement between parking at the garage and Verizon.

Alderman Shea asked and the Verizon gets that \$400,000 correct. I don't think a lot of people realize that we do pay them quite a bit of money for parking. They have a pretty good deal.

Deputy City Clerk Johnson stated we would need a motion that the resolution ought to pass and layover as amended.

Alderman Roy moved that the resolution ought to pass and layover as amended. Alderman Duval duly seconded the motion.

Alderman Roy stated I have a question for Mr. Clougherty. The amount we currently take in in parking revenues annually is what?

Mr. Clougherty responded roughly around \$2.5 million.

Alderman Roy asked and the percentage increase that the parking consultant told us we would realize through this new system and Smart Meters.

Mr. Clougherty answered about 20%.

Alderman Roy stated and we are looking at in this budget a potential expense to the Parking Enterprise of \$6.9 million.

Mr. Clougherty answered right.

Alderman Roy asked and if we were to enact everything that was suggested by the parking consultant as well as this additional \$300,000 for Saturday parking, do you feel that we will be able to attain...I believe we are looking at a little over \$5 million of revenue coming back to the City.

Mr. Clougherty answered as I said the number that the Mayor put in was based on what the consultant had added. The \$300,000 is on top of that. It is a bit on the high end of what the consultant recommended but it is in the range.

Alderman Roy asked but you are comfortable come October that based on the current \$2.5 million and the consultant's 20% that you will be able to certify, after expenses, almost \$5 million coming back to the general fund.

Mr. Clougherty answered right but again provided that all of the necessary ordinances are put in place in a timely fashion.

Alderman O'Neil stated that may be true but Kevin just hit on something and I have been here long enough to know it. There is no way that all of those ordinances are going to be enacted by October. Let's not kid ourselves. Maybe a year from now we will have everything enacted but there is no way it will happen by October.

Mayor Guinta called for a vote on the motion that the resolution ought to pass and layover as amended. The motion carried with Alderman O'Neil being duly recorded in opposition.

Appropriating Resolution:

“A Resolution appropriating the sum of \$2,968,193 from Recreation User Charges to the Recreation Division for Fiscal Year 2007.”

On motion of Alderman Pinard, duly seconded by Alderman Roy it was voted to read the resolution by title only, and it was so done.

Alderman Lopez moved that the resolution ought to pass and layover. Alderman DeVries duly seconded the motion. Mayor Guinta called for a vote. There being none opposed, the motion carried.

Appropriating Resolution:

“A Resolution appropriating to the Manchester School District the sum of \$143,000,000 for the Fiscal Year 2007.”

On motion of Alderman O'Neil, duly seconded by Alderman Roy it was voted to read the resolution by title only, and it was so done.

Alderman Garrity moved that the resolution ought to pass and layover. Alderman Gatsas duly seconded the motion. Alderman Gatsas requested a roll call vote. Aldermen Gatsas, Long, Duval, Osborne, Pinard, O'Neil, Lopez, Shea, DeVries, Garrity, Smith, and Roy voted yea. Aldermen Thibault and Forest were absent. The motion carried.

Alderman Gatsas moved to suspend the rules for layover and adopt the resolution this evening.

Mayor Guinta stated I don't think that will fly.

Alderman Gatsas stated I would like to make a motion that we suspend the rules. Alderman Garrity duly seconded the motion.

Mayor Guinta asked can we even do that.

Deputy City Clerk Johnson answered no.

Appropriating Resolution:

“A Resolution appropriating to the Manchester Transit Authority the sum of \$1,100,000 for the Fiscal Year 2007.”

On motion of Alderman O'Neil, duly seconded by Alderman Pinard it was voted to read the resolution by title only, and it was so done.

Alderman Gatsas moved to amend the resolution to \$850,000. Alderman Garrity duly seconded the motion.

Mayor Guinta called for a vote. Alderman O'Neil requested a roll call vote. Aldermen O'Neil, DeVries, Smith, Roy, and Long voted nay. Aldermen Lopez, Shea, Garrity, Gatsas, Duval, Osborne, and Pinard voted yea. Aldermen Thibault and Forest were absent. The motion carried.

Alderman Pinard moved that the resolution ought to pass and layover as amended. Alderman Garrity duly seconded the motion. Mayor Guinta called for a vote. The motion carried with Aldermen O'Neil, DeVries, Smith, Roy and Long duly recorded in opposition.

Appropriating Resolution:

“Amending a Resolution ‘Raising Monies and Making Appropriations for the Fiscal Year 2007 to \$114,134,608’.”

On motion of Alderman O'Neil, duly seconded by Alderman Shea it was voted to read the resolution by title only, and it was so done.

Alderman Gatsas moved to amend the resolution to \$117,990,110. Alderman Shea duly seconded the motion. Mayor Guinta called for a vote. Alderman Gatsas requested a roll call vote.

Deputy City Clerk Johnson asked what is the breakdown.

Alderman Gatsas stated with the appropriate line items as presented on the blue sheet. As you can see the allocations, the Finance Department changes to \$1,274,640; the HR Department changes to \$1,002,385; the Planning Department changes to \$963,019; the Fire Department changes to \$22,458,871 and Chief just so you know that wasn't \$400,000 that was allocated to your fund lines but it should have gone into your wage and benefit line. I will let you run your department the best you can with that \$22 million. The Health Department moves to \$3,568,561. The Highway Department goes to \$21,456,356 and that allows you Frank to run your department. Parks goes to \$3,654,221 and MCTV gets funded at \$396,754. The allocation of revenues – the Finance Department goes to \$11,937,654; Building & Maintenance goes to \$6,361,370. The next are non-department items. Contingency goes to \$200,000. The salary adjustment account goes to \$1,750,000. The transit subsidy goes to \$850,000 and the Veteran's exemption is \$1,347,700. That brings us to a 0 on the budget. I think with these numbers it allows you as the Chief Financial Officer of the City to run with the

salary adjustment account, I believe, in a fashion that can most benefit the citizens of this City and allows you to do it without as many constraints as we may have had in the past. It adds \$750,000 to the salary adjustment so that you can meet some of the line items in Police with the six new officers and filling some of those vacancies along with some of the other departments that are here. I think it is important that it allows you the flexibility to move forward and it allows the benefit of the citizens of this City to understand that they aren't going to have a tax increase no matter what the revaluation may go to.

Alderman DeVries asked can I ask the Chief of the Fire Department for verification that he is comfortable with the additional changes to the budget and if he wants to nod he can nod from there but if he wants to come up and speak to it he can come up and speak to it. He is indicating that he is all set.

Alderman O'Neil asked can I have Chief Kane come up. I learned something during this whole discussion over the last few days regarding the \$400,000 that was talked about. It is not \$400,000 entirely to salary. Some of that has to be considered for benefits related to those salaries am I correct?

Joseph Kane, Fire Chief, answered correct.

Alderman O'Neil stated so it is not \$400,000 in salaries and we think we are more than halfway to meeting your concerns about a shortfall in your salary line item. I think we all have learned the process over the last day or two on this.

Chief Kane responded as I understand it and that is why I did send out that memo specifically in regards to what I thought the money was going to. When we put together the yellow sheet the monies that we thought would be put back in went into budgetary items like health, dental, worker's compensation, retirement and those types of things. We didn't indicate anywhere here on the yellow sheet that that money would be going into salaries. We had quite a few discussions over the last couple of days on exactly what that money is and where it does to. As late as this afternoon I was meeting with Alderman Lopez and the Finance Director and they had indicated that the money in those line items was probably high and could be allocated towards salaries. So there has been some discussion over the last couple of days in regards to exactly where that money was going. My initial indication was that basically because of the yellow sheet and the way we drew that out that it would be going into what we call benefit line items. So that is where we thought the money was.

Alderman O'Neil stated I will open this up to the Finance Officer or anyone who wants to jump in that the \$363,588 is not exclusively in salaries. Does anybody know how that breaks down salaries versus benefits?

Mr. Clougherty responded about 2/3 to 1/3 with 1/3 for benefits.

Alderman O'Neil asked can you give me a ballpark number based on that.

Mr. Clougherty answered about \$143,000 in benefits.

Alderman O'Neil asked so it is about \$220,000 in actual salary dollars.

Alderman Lopez asked can I help. The Fire Chief put \$413,588 in his budget and during the discussion with the Finance Officer and why they put it in that line item and didn't include some salary as indicated by the Finance Officer 2/3 and 1/3. So in looking at that we are paying the firemen...we came up with \$275,725 to put into the salaries and \$137,863 for restricted items such as dental, health, worker's compensation, etc.

Alderman O'Neil asked can I ask a question of either Alderman Gatsas or Alderman Lopez. Alderman Lopez just read off \$413,588 and on the second page of the sheet Alderman Gatsas handed out it says \$363,588.

Alderman Gatsas stated it is \$363,588. Alderman Lopez has increased it. That is not based on the blue sheet. The number I gave you earlier was \$22,458,871. The difference between that and the expenditure that the Mayor had was \$363,588.

Alderman Lopez stated to answer your question yes it is \$363,588. The problem they had on the yellow sheet and that is where the confusion came is it was \$22,508,000 and the confusion that really came into play as we laid out this whole process was the extra money that we gave in the Finance Committee for rust repair.

Chief Kane stated rust repair was \$100,000 and protective clothing was \$20,000.

Alderman Lopez stated so in working the numbers and coming back with the yellow sheet it got a little mixed up here.

Chief Kane stated it got a little confusing. Our understanding of the instructions was to...there were some numbers that were given to us while we were putting together the white sheet. What we did is took the minutes of that meeting and took those numbers and tried to plug those numbers in to create the yellow sheet. That is how we came up with this yellow sheet budget. In that yellow sheet budget we assumed that the numbers that were originally used in the original budget were being carried over. That seemed to be the trend there and that is what we did with the line items in the benefit accounts. As Kevin pointed out, those

line items in the benefit accounts were changed so we should probably have reflected any changes and we did not do that.

Alderman Lopez stated I would like to follow-up on one thing. So that it is very clear, the number that Alderman Gatsas gave is \$22,458,871. They know that now. All they are going to do is mix up their benefits and salary to reflect that. The salary line goes up and the benefits will increase by \$137,000. The point that came out of the discussion was so that everybody was on the same page and the Chief was there with his Deputies and BSO and the Finance people. So we all understand it and I hope that everybody here understands it. The problem that the Chief had and it was noted during the conversation with the Finance Officer, yes we know his salary line item is short. You take the \$275,725 from the \$717,000 then his salary line item is short \$441,275 but remember when you add to that salary line item you have to add 1/3 of that so we came up with approximately \$140,000 for a total shortfall just to pay the firemen at a full complement is \$581,275. Chief, could you verify that?

Chief Kane replied that is the number that we went over this afternoon yes.

Alderman O'Neil stated just to follow-up I have a question of the Chief and then a question of you. Chief, I would agree with that. I wrote a \$142,000 shortfall in salary and it is your understanding that those monies if needed would be eligible out of salary adjustment correct?

Chief Kane responded that is my understanding. In talking with the Board and the Mayor that is my understanding.

Alderman O'Neil stated so that still leaves a possible shortfall of \$300,000 in overtime correct.

Chief Kane replied that is correct.

Alderman O'Neil asked, your Honor, my understanding is that overtime will not be eligible for salary adjustment. I thought we had that discussion at one of the days or nights here.

Mayor Guinta answered the salary adjustment is meant to address just regular salaries.

Alderman Gatsas asked Chief you were here the evening that the blue sheet appeared correct.

Chief Kane answered yes I was.

Alderman Gatsas stated I think the question of some Board members actually was whether you could live with the Mayor's number of \$22,095,283. That was the question of you and your answer was...

Chief Kane interjected yes.

Alderman Gatsas stated your answer was yes. I then gave you roughly \$363,588 more.

Chief Kane replied yes.

Alderman Gatsas asked did you call me with your concerns about how those worked.

Chief Kane answered no I did not.

Alderman Gatsas asked did you talk to Alderman Lopez.

Chief Kane answered I talked to Alderman Lopez today.

Alderman Gatsas asked did you talk to Alderman O'Neil.

Chief Kane answered I did.

Alderman Gatsas asked did you talk to the Finance Director.

Chief Kane answered yes.

Alderman Gatsas asked did you talk to the Mayor.

Chief Kane answered no.

Alderman Gatsas asked and you never talked to me.

Chief Kane answered no.

Alderman Gatsas stated I would have thought that you would have thought I was the guy with a white beard and a red suit. I would think you would have called Santa Clause first because that is usually who your kids write to at Christmas.

Chief Kane replied my understanding was that the yellow sheet was the budget. I didn't have any understanding other than that. I didn't have any issues with that

until it was brought to my attention that people had different interpretations of what the blue sheet meant.

Alderman Gatsas responded well let me just ask you one more time. Did you call the person that handed out the blue sheet?

Chief Kane replied no I did not.

Alderman Gatsas stated so for a week and a half you had this so-called blue sheet in your possession and never called me and never asked a question and only went to people who really didn't know how that blue sheet was created.

Chief Kane responded that was not brought to my attention until yesterday.

Alderman Lopez stated I think it is important...this is the first day that I personally got involved with this if Alderman Gatsas is referring to that. There was a question that came from Alderman O'Neil to the Chief and then I got a call. Just to put things in perspective it wasn't the Chief who came to me or Alderman O'Neil. We went to him and asked him questions. I want that to be made clear.

Alderman Gatsas stated well you being Chairman of the Board then why didn't you call me. If you had a question about the sheet that I passed out on the budget because it was my budget.

Alderman Lopez replied I wasn't questioning your sheet. I was questioning the number from the Chief. It was brought to my attention that some Aldermen were questioning things and we went back to the meeting minutes and there was some confusion. I sat down with the Chief and his people to understand and there were still some questions and I had the Finance Officer there so when we all left the room we all understood exactly what...if you add money to salaries, you have to add money to benefits.

Alderman Gatsas responded Alderman you never asked me. Even today.

Alderman Roy stated switching gears a little bit, Chief, regarding the budget that is now in front of you you are short on benefits and looking towards the salary adjustment number to what extent. How much are you short?

Chief Kane replied I am short in salaries \$717,000. Again, I guess I am trying to figure out which budget I have in front of me.

Alderman Roy responded the blue sheet.

Chief Kane stated well if I am looking at the blue sheet I am short \$441,000 in salaries.

Alderman Roy asked and the total shortfall for the entire budget.

Chief Kane answered I believe it is...

Alderman Lopez interjected the number we agreed to this afternoon for a point of discussion was \$581,275.

Alderman Roy stated looking at the yellow sheet you know how dismayed I was on the back where you put the final paragraph "overtime line is short but we will attempt to live within the appropriation by placing ladder trucks out of service during the fiscal year." Is that still your plan?

Chief Kane replied yes.

Alderman Roy stated I would urge my colleagues, my Mayor and my Chief not to look at a budget that does not at least meet the NFPA standards. I said it at the last meeting. If we are strong in our complement then it is up to the CEO of this City and the policymakers of this City – the Board of Mayor and Aldermen, to adjust our complement. I personally don't believe and I know the Chief doesn't believe, that we are too strong in our complement of officers and apparatus. If we are not going to fund and operate our City safely then we are putting our employees at risk and I cannot vote for a number that does that. We are putting employee safety in jeopardy because of a budget number and that is appalling to me. Chief, I know we have had this discussion and I will say it publicly. I do not want to see ladder trucks or engines out of service. If we have too many or they are in the wrong place, we will work with you to get them all in the right places and the right response times as we have done in the past but to go ahead and put machinery and manpower out because of the budget I find unacceptable.

Alderman Smith stated Alderman Roy hit on what I was going to talk about, especially ladder trucks but you are going to be short \$300,000 in overtime.

Chief Kane responded yes.

Alderman Smith asked what about the salary adjustment account. Does anybody know if we can tap that or what is the situation?

Mayor Guinta stated the salary adjustment account is for regular salary only.

Alderman Smith stated my point is we had a ladder truck out for six months over on the West Side. I hate to see a new fire station rehabilitated and have that fire truck moved out of there. I am definitely opposed to not giving services. I realize that a cost comes with service but we cannot do this. It is not even realistic. We have high-rises over there and so forth and we went without service and sometimes we were without service because they were responding to a fire in Bedford. I implore you to make sure as my colleague Alderman Roy said that the ladder trucks stay. Thank you.

Alderman Gatsas asked Chief can you tell me what do you spend in overtime for training. How much of that \$1.1 million is overtime for training?

Chief Kane answered that fluctuates.

Alderman Gatsas asked between \$200,000 and \$300,000 a year.

Chief Kane answered no. This year it was high because of the amount of rookies...

Alderman Gatsas interjected what is the amount.

Chief Kane stated \$90,000.

Alderman Gatsas asked increase.

Chief Kane answered no. This year it is \$90,212.

Alderman Gatsas asked in overtime for training.

Chief Kane answered that is correct.

Alderman Gatsas asked what do you do...once you train those firemen what is their next responsibility.

Chief Kane answered they are on the fire trucks.

Alderman Gatsas asked directly or do they go somewhere else for training. Do they come somewhere from training before you train them again?

Chief Kane replied could you ask that question again. When we hire them we train them and they go right on the trucks.

Alderman Gatsas asked there is no training other than that.

Chief Kane stated there is annual training that goes on in regards to certification for EMT's that every two years they have to get recertified. That is the entire department. That is one of our bigger expenses on a two year basis but when we hire someone they go through a training period and graduate from rookie school and go right on the trucks.

Alderman Gatsas asked where is the rookie school held.

Chief Kane answered right here in Manchester.

Mayor Guinta asked are you trying to make a distinction between City training and State training.

Alderman Gatsas answered correct.

Chief Kane stated we don't...there is some state required training but we do it ourselves.

Alderman Gatsas asked so the \$90,000 in overtime to train firemen, can you explain to me why overtime is needed for training.

Chief Kane answered we break that down in several different fashions. One fashion is for an instructor. When we bring an instructor in to teach that is usually on overtime.

Alderman Gatsas asked bring an instructor in from where.

Chief Kane answered our own instructors.

Alderman Gatsas asked so we are paying our people overtime to train people.

Chief Kane answered that is correct.

Alderman Gatsas stated Chief...and I look at my colleagues in this room. That overtime...how many people are training? How many trainers do you have?

Chief Kane responded I can't answer that right now.

Alderman Gatsas asked do you have one or ten.

Chief Kane asked full-time trainers.

Alderman Gatsas answered trainers that are training these people that you spent \$90,000 in overtime on.

Chief Kane stated there are a lot of them.

Alderman Gatsas asked are there 10.

Chief Kane answered there are a lot more than 10.

Alderman Gatsas asked are there 20.

Chief Kane replied I don't have that figure. I would be reluctant to give that to you because I don't...I would say there are a lot more than 20. There are probably...

Mayor Guinta interjected is that their only responsibility.

Chief Kane responded no they are regular firefighters.

Alderman Gatsas asked year-to-date how many recruits have you had.

Chief Kane replied this year we had nine.

Alderman Gatsas asked so the cost for those nine recruits was roughly \$10,000 a recruit in overtime salary to get them trained. How many hours of training do they have?

Chief Kane answered they have 12 weeks.

Alderman Gatsas asked how many hours a week.

Chief Kane answered 40 hours a week. That training specifically just for...if you are looking for the number just for rookie school it is about \$30,000.

Alderman Gatsas stated my question is what did you pay in overtime for training of those rookies.

Chief Kane replied \$30,000.

Alderman Gatsas asked what happened to the \$90,000.

Chief Kane answered most of it as I said goes to what we call EMT refresher, which is every two years our EMT's, which is basically our entire staff, have to go

through a 24 hour refresher course as well as a practical exam and that is about \$50,000 right there.

Alderman Gatsas asked so if I understand you correctly, that \$30,000 divided by 480 hours divided by 9 so what you are paying people on an hourly basis is \$6.94/hour. I took the \$30,000 that you told me was spent on nine recruits. Those nine recruits divided...

Chief Kane interjected that is not the nine recruits. Those nine recruits are not being paid time and a half.

Alderman Gatsas responded that is not what I am saying. If I take the \$30,000 that you paid in overtime and divided that by 480 hours because you said it was 40 hours a week for 12 weeks and divided that by 9 recruits because that is what you had, that is \$6.94 per recruit per hour.

Chief Kane answered correct.

Alderman Gatsas asked that is what you are paying someone to train them.

Chief Kane answered no. What you are doing is dividing it up amongst all of the recruits and as you are dividing it up amongst the recruits you have to take that and say \$6 times...

Alderman Gatsas interjected how would you like me to do it Chief. You tell me how to do it because I will do it whatever way you want. I am just telling you your efficiencies on it when you are telling me it is \$6.94.

Chief Kane stated I think the way you need to do it is take the hours...

Alderman Gatsas interjected the 480 hours.

Chief Kane replied right and divide that into \$30,000. Then you get a cost per hour for training.

Alderman Gatsas stated so \$30,000 divided by 480 hours gives me \$62.50/hour.

Chief Kane replied right.

Alderman Gatsas asked is that what you are paying for overtime.

Chief Kane responded that could be correct. No, well obviously you don't have one instructor.

Alderman Gatsas asked well how many instructors do you have. That is what I was trying to ask you.

Chief Kane answered you may have multiple instructors there depending on what you are trying to teach. If you are trying to teach fire ground evolution the ratio between instructors and students is high as opposed to classroom evolution.

Alderman Gatsas asked why don't you send me the detail on that.

Chief Kane answered okay.

Mayor Guinta stated we have two more people who want to speak and then we are going to call for a vote on this issue.

Alderman DeVries stated I can be brief and I probably should have interrupted you but you were both on a roll on that last discussion. I don't totally disagree with Alderman Gatsas that the overtime salary within the training division are a concern. I know that Alderman O'Neil and myself have spoken with you over the years looking for ways to curb some of the overtime utilization. I think it is our understanding that you will be working with the Mayor and hopefully with us intensely over the course of the next year strategizing if you would ways that we could cut some of the overtime, whether it is within the normal minimum staffing requirements that you have or within the direct training requirements that you have.

Chief Kane replied we would like to work with you in regards to that.

Alderman DeVries stated thank you and just for an editorial comment, I don't disagree and we have this conversation every year when we go through the budget, I don't disagree that putting apparatus out of service to obtain your budget numbers is the best way for us to go about things but I also recognize from having spent many years there with you that at any given time there are frequently ladder trucks that are out of service whether it is for scheduled maintenance or for other reasons. I think that there are ways that we can plan around some of the scheduled maintenance and let that work for us.

Chief Kane stated right. That is something that we will be looking at as we go forward. That is the first thing that we will take into consideration in regards to our actions.

Alderman DeVries stated I will just make a final editorial comment that I don't think that there is any person on this Board that is ever going to allow the Fire

Department or as we have said before Police or Education...I mean this is the rock that is the community and we are not going to let these services be jeopardized. It is all about the safety and security of our citizens and I am sure that we will continue to grind down the numbers that we worked through today and make sure before this budget is final within the next five days that those numbers are appropriate for you.

Alderman Roy stated Chief I will pick up on the vein where Alderman DeVries was going. A question on management style for you looking at what you are faced with in your budget. Are you planning on putting ladder trucks out at the beginning of the fiscal year or waiting to see how the vacancies and salary adjustment plays out?

Chief Kane replied that is something that we are looking to do. Depending on what the budget is that is passed and what it looks like and what the opportunities are that are going to present themselves we may look at doing something later in the year. One of the things we have to look at is one of the items that Alderman DeVries has said in regards to maintenance of vehicles and how that plays into this whole scenario.

Alderman Roy stated I don't have any problem with when ladder trucks and engines have to be out of service for maintenance and I know you do have some engines to spare to be put into service when there are tragedies like the flooding, which I commend you on but I do have a problem, as Alderman Smith said the Webster Street ladder truck went out of service for almost six months last year. The Main Street ladder truck went out for a period of time prior to and after the renovation of that firehouse. Webster Street wasn't being renovated but the ladder truck was still not in operation leaving the majority of the north end of this City with an engine. There were periods of time...we had a tragic traffic accident where a truck crossed the median on I-93 and the engine spent six hours sitting on I-93 after that death where there was no fire protection in the North End and parts of Ward 3, 5 and 2 for a good percentage of the day. Response times are critical and when you take ladder trucks out of neighborhoods the response times get longer. It takes longer to go from Merrimack Street to Webster than it does to go from Webster to Webster. I would implore you to work with the Mayor. Don't put any ladder trucks out of service until your budget is at zero come next March or April and if things manage out correctly it may be June 31.

Alderman Gatsas requested a roll call vote.

Alderman O'Neil asked where are we at and what number are we on.

Mayor Guinta stated the vote before the Board is on Item 9 amending the number to \$117,990,110. The motion was made by Alderman Gatsas and seconded by Alderman Shea. Aldermen Gatsas, Long, Duval, Osborne, O'Neil, Lopez, Shea, DeVries, Smith, Forest and Roy voted yea. Aldermen Pinard and Garrity voted nay. Alderman Thibault was absent. The motion carried.

Alderman Gatsas moved that the Appropriating Resolution ought to pass and layover as amended. Alderman Shea duly seconded the motion. Mayor Guinta called for a vote. The motion carried with Aldermen Garrity and Pinard being duly recorded in opposition.

Appropriating Resolution:

“Approving the Community Improvement Program for 2007,
Raising and Appropriating Monies Therefore, and Authorizing
Implementation of Said Program.”

On motion of Alderman Garrity, duly seconded by Alderman O'Neil it was voted to read the Resolution by title only, and it was so done.

a) Report of Committee on Community Improvement recommending that Resolution:

“Approving the Community Improvement Program for 2007, Raising and Appropriating Monies Therefore, and Authorizing Implementation of Said Program.”

be amended as follows:

Amend Table 1 –Federal, State, Other Funds

	<u>FROM</u>	<u>TO</u>
<i>By adding:</i>		
710907 Highway Department Annual Bridge Rehab. (adds program at \$384,000)	0	384,000 NH DOT
510907 Parks, Recreation, Cemetery Parks Improvement Project (adds program at \$687,840)	0 0	677,840 NH DOT-TA 10,000 NH DOT reimb.
612507 Serenity Place Serenity Place Expansion (adds program at \$200,000)	0	200,000 AHTF grant/loan

By increasing:

310107
 School District
 School Projects 11,000,000 15,546,869 Federal & State
(increases program by \$4,546,869)

610507 The Prayer Hall, Inc.
 Welcome Home Shelter/
 Transitional Housing 12,427 31,427 AHTF
(increases program by \$19,000)

710407
 Transit Authority
 Passenger ADA Lift Van 72,112 89,232 FTA/NHDOT
(increases program by \$17,120)

By changing Title and Description:**From:**

810507
 Planning & Community Development
 Resource Coordinator/Vista Coordinator (\$40,000 VISTA)
 Funding to support partial funding of Grant Originator and Resource
 Coordinator positions.

To:

810507
 Planning & Community Development
 Vista Coordinator (\$40,000 VISTA)
 Funding to support VISTA Coordinator position

(Total increase to Table 1 \$5,854,829 for grand total to Table 1 of \$23,241,904)

**Amend Table 2 Community Development Block Grant, Emergency Shelter
 Grant, and Home Funds**

By changing Descriptions:

211807
 Health Department
 Center City Disease Prevention
From: Provision of variety of health care services to improve the health of Center City
 residents.

To: Provision of a variety of health care services to improve the health of Center City
 residents and decrease the number of school days missed due to asthma, other illnesses,
 etc.

611407
 MEDO
 Revolving Loan Fund

From: Funding of Destination Manchester Coordinator's salary.
To: Funding of Development Coordinator's salary

810507

Planning & Community Development
Resource Coordinator/Vista Coordinator

From: Funding to support partial funding of Grant Originator and Resource Coordinator Positions.

To: Funding to support Resource Coordinator position.

810907

Planning & Community Development
Neighborhood revitalization/CBD Improvements

From: Initiation of the Façade Improvement Program providing matching grants to businesses located in the HUD designated Neighborhood Revitalization Strategy Area as well as in the Mayor's Neighborhood Renaissance Initiative Areas.

To: Funding initiative supporting growth and development in selected neighborhoods throughout the City including the CBD, activities include infrastructure improvements (streets, sidewalks, lighting) and assistance to businesses (i.e. façade improvements); focus in 2007-2008 will be on Kelley Street, Wilson Street, the "Hollow", Second Street/Granite Square and the CBD.

By changing Administering Department:

510407

From: Office of Youth Services (Fun In the Sun)

To: Parks, Recreation & Cemetery (Fun In the Sun)

510507

From: Office of Youth Services (Youth Activities)

To: Parks, Recreation & Cemetery (Youth Activities)

(Net change to Table 2 - \$0)

Amend Table 3 -- City Cash

	<u>FROM</u>	<u>TO</u>
<i>By adding:</i>		
213907		
International Institute		
Legal Services Program	0	5,000
<i>(adds program at \$5,000)</i>		
411207		
Police Department	0	50,000
Speed, Noise & Traffic Enforcement		
<i>(adds program at \$50,000)</i>		

811207		
Human Resources	0	39,065
Employee Training & Development		
<i>(adds program at \$39,065)</i>		

By deleting:

213407		
Child & Family Services	19,065	0
Childcare Coordinator		
<i>(eliminates program- deducts \$19,065)</i>		

By decreasing:

612207		
Intown/Millyard Landscape Committee		
(Parks, Rec & Cemetery adm.)		
Ongoing Maintenance	25,000	20,000
<i>(reduces program by \$5,000)</i>		

711107		
Highway Department	35,000	25,000
Chronic Drain		
<i>(reduces program by \$10,000)</i>		

711307		
Highway Facilities Division	225,000	175,000
Municipal Deferred Maintenance		
<i>(reduces program by \$50,000)</i>		

612307		
Manchester Area Convention & Visitors Bureau (MACVB)		
MACVB Marketing Manchester	90,000	80,000
<i>(reduces program by \$10,000)</i>		

By changing Descriptions:

211007
Office of Youth Services
OJJDP WYR Project

From: Continuation of a new program focusing on a multifaceted approach to reducing juvenile delinquency in the City. Program will be a joint effort among various City Departments, i.e. OYS, Schools, Police and the State YDC.

To: Continuation of a new program focusing on a multifaceted approach to reducing juvenile delinquency in the City. Program will be a joint effort with various City Departments, i.e. OYS, Schools, Police and the State YDC, 100 youth will be served.

611407
MEDO
Development Coordinator

From: Funding of Destination Manchester Coordinator's salary.

To: Funding of Development Coordinator's salary.

By changing Administering Department:

510407

From: Office of Youth Services (Fun In the Sun)

To: Parks, Recreation & Cemetery (Fun In the Sun)

510507

From: Office of Youth Services (Youth Activities)

To: Parks, Recreation & Cemetery (Youth Activities)

(Net change to Table 3 - \$0)

Amend Table 4 – General Obligation Bonds

	<u>FROM</u>	<u>TO</u>
<i>By increasing and changing description:</i>		
711607 Highway Department	1,675,000	1,725,000

Annual ROW Reconstruction

(Increases program by \$50,000)

Description change:

From: Funding to support annual program to reconstruct City streets which can no longer be resurfaced due to a lack of curb reveal or poor base material. Two year funding includes Candia Road. A separate storm drainage system to be constructed as well whenever possible. \$175,000 Granite Street Rail Crossing.

To: Funding to support annual program to reconstruct City Streets which can no longer be resurfaced and improvements to ROW's for enhanced traffic flow and safety. Separate storm drain systems to be constructed whenever possible.

510907

Parks, Recreation & Cemetery

Parks Improvement Project 1,825,000 1,975,000

(Increases program by \$150,000)

Description change:

From: This Project will enable an increase in the efforts of the Parks Department to adequately maintain facilities and improve safety in the City parks. To include funding for Crystal Lake Park, Piscataquog Park, Weston Observatory, Calef Road Park and Valley Cemetery (\$300,000). Other projects as funding may permit.

To: Improvements to City Parks as per Master Plan. To include funding for: Calef Road Playground - \$464,000; Crystal Lake Park - \$282,000; Weston Observatory - \$196,000; Piscataquog River Park East - \$563,750; Junior Deb Softball Field Improvements - \$75,000; Valley Cemetery Fence - \$250,000; and Piscataquog Trail Phase III - \$144,250, funds permitting.

By deleting:

	<u>FROM</u>	<u>TO</u>
711707 Highway Department Infrastructure/Road Surface Management (eliminates program)	250,000	0

By changing description:

612407

Planning & Community Development
Neighborhood Revitalization**From:** Funding for design and infrastructure improvements in selected neighborhoods.**To:** Funding initiative supporting growth and development in selected neighborhoods throughout the City, activities include infrastructure improvements (streets, sidewalks, lighting) and assistance to businesses (i.e. façade improvements); focus in 2007-2008 will be on Kelley Street, Wilson Street, the "Hollow", and Second Street/Granite Square.***(Total decrease to Table 4 - minus \$50,000, new total of table \$10,250,000)*****Amend Table 5 – Projects financed through Enterprises, Fees, and Other Dedicated Sources*****By deleting:***

511107 Parks, Recreation & Cemetery Gill Stadium Roof (eliminates program)	200,000	0
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(Total decrease to Table 4 – minus \$200,000, new total of table \$16,927,000)**Amend language as follows:**

Amend paragraph 3, page 2 of the Resolution by deleting \$17,387,075 and replacing with \$23,241,904.

Amend paragraph 1, page 3 of the Resolution by deleting \$10,300,000 and replacing with \$10,250,000.

Amend paragraph 2, page 3 of the Resolution by deleting \$17,127,000 and replacing with \$16,927,000.

Deputy City Clerk Johnson stated there is a lot of stuff here but basically what you have before you is a report of the Committee on Community Report, which proposes amendments to the resolution that are detailed and outlined. If the Committee so desires we would need a motion to accept the committee report of the CIP Committee initially.

Alderman Garrity moved to accept, receive and adopt the report of the Committee on Community Improvement. Alderman Pinard duly seconded the motion.

Alderman O'Neil stated as a former Chairman of the CIP Committee I want to commend Alderman Garrity for his efforts in reaching out to everyone and allowing some good input and a lot of discussion. I want to thank him for that.

Alderman Shea stated asked can we object to anything on this right now. I am not in favor of the Valley Cemetery fence. I think there are more important things that should be funded other than that although I approve of the work they are doing and I want to make that clear. I do not reason at this time that we should appropriate \$250,000 for fencing there when we have so many other needs in the community. Thank you. That is project 510907.

Alderman Roy stated to stay with the vein that Alderman Shea was just going with I admit that Alderman Garrity did do a lot of work in putting this CIP budget together and working with the Mayor's Office but I do see a lot of things in this CIP budget or authorization that I find appalling when we are trying to keep to an absolute bare minimum for the City side. To be looking at creating new parks and decreasing funding to our chronic drain program and decreasing funding to specific wards...I have a severe problem with this package as a whole, especially the general bonded so at this time I will be voting no on this.

Mayor Guinta asked do you believe it should be lower.

Alderman Roy answered I believe if we are going to truly enact what you said we should do and only fund the necessities then yes Sir I do.

Alderman Gatsas stated I agree with my colleague from Ward 1. I can't vote for this CIP budget because not only the Valley Street Cemetery because I think that is a worthy project no question but Hands Across the Merrimack is in here and I am sure if I went through item by item there are other projects that we would all look at and say...you know Alderman Garrity did a great job. He brought it forward and we all participated and that is a great thing but I think that when you

look at some of the things that are in here and you talk about wants and needs I think there is no question that the taxpayers are not getting the biggest bang for their buck. I will vote with my colleague from Ward 1 in opposition.

Mayor Guinta called for a vote. Alderman Gatsas requested a roll call vote.

Deputy City Clerk Johnson stated for clarification this is a vote to accept the report. We are not on the resolution yet.

Mayor Guinta asked do you want to withdraw the roll call.

Alderman Gatsas answered sure.

Mayor Guinta called for a vote. The motion carried with Aldermen DeVries, Shea, Gatsas and Roy being duly recorded in opposition.

Deputy City Clerk Johnson stated the report has now been accepted. A motion would be in order to amend the resolution to the amount and language contained within the CIP report.

Alderman Garrity moved to amend the resolution to the amount and language included in the CIP report. Alderman O'Neil duly seconded the motion.

Alderman Roy stated I have a question for Mr. MacKenzie. On one of the many pieces of paper we received it is the Summary of Proposed CIP Changes and it is #12 Chronic Drain and it says "add \$25,000 CDBG to FY06, \$10,000 FY07 Cash used from other projects" and that effect would be a total of \$50,000 for the funding of chronic drains. By using CDBG funds are we ruling out all wards that do not have...

Mr. MacKenzie interjected no. We did review the list as presented by the Public Works Department and identified which on that list could be paid by CDBG and which could not. There is still cash. In fact the majority of the funds are still cash that could be used anywhere in the City. CDBG is limited to roughly...it is a little under half of the geographic area of the City where they qualify. We did look at the list and on that list we identified which could be CDBG and which could be cash.

Alderman Roy asked does it change the priority list as to what can be done and what cannot be done.

Mr. MacKenzie answered we tried not to change the priority list. We just looked at the list as to what was likely to be funded and then of those which could be funded through CDBG.

Alderman Roy stated I will just reiterate my comments. I believe it was Alderman Shea who said earlier that we have a number of flooding problems. One thing that is great about having a 100 year storm is it lets you identify all of the weaknesses in your system and if we have done nothing over the last month but try to help people, we have identified all of the weaknesses in our system – drainage laid improperly, locations that were not addressed and I think if we are going to stick to a bare bones budget where necessities are all we are going to support I would look to do something like increase chronic drain before starting new neighborhood projects.

Alderman Lopez stated I need some clarification. Are the people that are objecting objecting to the entire budget or the five tables or one table or what? There are five tables in the CIP budget.

Mayor Guinta stated I believe that would be reflected during the vote.

Alderman Roy stated personally Alderman I am objecting to strictly City Cash and the general bonded. That is what my motivation is. I believe we are spending money in the wrong places and even though only a small percentage of it goes on the tax rate because it is bonding, we are paying for this over time and if we are not going to address infrastructure and safety concerns then we shouldn't be addressing recreation and fun concerns.

Alderman Lopez stated if you look at City Cash most of those are social agencies that provide a great service to the City and without them it is going to cost the taxpayers a lot more money to take care of these people. That is my question. I don't mind you objecting but are you objecting to the entire CIP budget or do you want to object to Table 4, which is the general bond? That is one thing. I would just like to know...

Alderman Roy interjected speaking for myself Alderman the majority of what I am objecting to is general obligation bonds.

Alderman Lopez stated but the motion...Carol can they object to the entire CIP budget or maybe a clarification ought to be in order.

Deputy City Clerk Johnson responded it is my understanding that the motion on the floor is to amend it to the amounts contained within the reports. We are talking about an amendment at this time. It is not a split question. It is a question of the whole.

Alderman Lopez asked the whole CIP budget.

Deputy City Clerk Johnson answered for the whole amendment.

Alderman Lopez asked again if an Alderman wants to object to a particular table or a particular item he can object. Why would we hold up the cash portion of it? It doesn't make sense.

Deputy City Clerk Johnson responded the question would be on the resolution or in this case on the amendment to the resolution, which contains all of the projects. You would have to delete them from the resolution and do a separate resolution to do it otherwise.

Alderman Lopez asked when you say all of the projects are you speaking of...

Deputy City Clerk Johnson interjected bond, cash, CDBG, all of those tables are contained within one resolution.

Alderman Lopez stated I think maybe Mr. MacKenzie can help me with this because some of the bonding is crossed over with other things from Table 1 or along that line. Could you explain that Mr. MacKenzie? If we don't do any bonding what happens?

Mr. MacKenzie stated there are certain matches, Alderman, between the various tables. Sometimes there are matches for let's say MTA if they are buying a new transit bus they are listed in two different sections. I believe and I don't have right on hand which ones do cross over from Table 4 but if you did eliminate Table 4 you would have to adjust some other tables.

Alderman Lopez stated I just wanted to bring that point out because I don't know if you object to the whole budget.

Alderman DeVries stated before you walk away your Honor I actually have a question of you because part of my concern with the CIP budget is that we still...or with the entire budget process is we have not built anything in here for our FEMA match dollars. I am kind of anxiously awaiting to see how that is going to unroll. I realize they have just been in the City over the last day and we

still have a layover period of five days but I think we need to seriously address within this budget process somewhere somehow whether we need to do set aside dollars or a bond that is just put out there – a holding bond project number or if we are going to decide if they are eligible for our one time reserve account but before we finalize this budget, specifically the CIP budget, I think we have to address that matter and get some sort of handle on what the 10% or 20% match that would be required by the City for any improvement projects might be so that we have something in place to deal with that during the upcoming year. I do also want to add though because this conversation has gone on for awhile but I certainly agree...I think the last 100 year flood storm has shown me how much wear and tear are on our City streets and I am sure everybody who has been driving around the City over the course of the last two weeks has noticed that the infrastructure of this City really took a beating with that storm. Above and beyond FEMA eligible projects there are many Highway projects that we need to address somehow somehow and the level of urgency has really been expedited. I just am not comfortable with all of our projects to date unless we somehow find a way to do some more infrastructure improvements. Things have changed over the last three weeks for us as a City.

Alderman Gatsas stated just to address my colleagues concerns about level funding, the last storm that took effect in the Western part of the state, the maximum exposure for the communities out there was \$5,000. The federal funds are 75%/25% and 12.5%/12.5% is that 25% split. The state picks up 12.5% and the local community picks up 12.5%. The Legislature passed legislation last time to have the maximum out of pocket expense for those communities at \$5,000 or 12.5%, whichever was lower. So I would assume that the process would follow that same accord. I can't guarantee that but I would assume the process would be the same. Now just to address some of the other things that Alderman Lopez talked about, I take a look at cash and he is probably right. A lot of the agencies that are out there are in definite need of cash but the Manchester Area Convention & Visitor's Bureau marketing Manchester goes from \$90,000 in cash to \$80,000. You just heard a few hours ago me complaining about a \$25,000 allocation from the state. We now have \$90,000 in cash, which could take care of two firefighters but we are putting it in to marketing Manchester. I would think that Manchester markets itself well. It has marketed itself well for the last several years. It has grown with the Airport being the engine and probably the caboose being the Verizon Center but it has done a great job. I look at some of these things and I say if somebody can tell me...Intown Manchester Landscape Committee, Parks & Recreation Ongoing Maintenance. Now that may be a good thing or it may be a bad thing but it is \$25,000 so I look at all of these cash items and I say are they worthy for wants or needs. If this Board wants to put together a full CIP budget hearing that sits down and goes through every one of these line items line by line

and votes on them as we go, that is not an objection that I have but if we are going to vote on the entirety, I am voting against it.

Alderman Lopez stated I don't have any problem with that. I think the issue of sending out the CIP budget we will have plenty of time if that is what you want to do that is fine too whereby an Alderman can object to one particular thing like you just mentioned. If that is the case and that is the way you want to go that is okay but the CIP Chairman went through this process. I think we had plenty of time to have input into it.

Alderman Gatsas responded with all due respect that was a Committee that voted. There were five members of the sitting Board that were on that Committee so each item...it didn't matter if we voted...if I voted no and four people voted yes it would be here.

Alderman Lopez replied I understand that. There were 9 or 10 Aldermen here during that CIP Committee meeting.

Alderman Gatsas responded but there are only five voting members on the Committee.

Alderman Lopez stated I realize that but the Chairman allowed us to...

Alderman Gatsas interjected I didn't say he didn't. I am saying the votes coming down were either all or none.

Alderman Lopez stated that is fine.

Alderman Smith asked can we move on this.

Mayor Guinta stated there is a motion on the floor on the amendment and called for a vote. Alderman Gatsas requested a roll call vote. Aldermen Gatsas, Long, Shea, DeVries and Roy voted nay. Aldermen Duval, Osborne, Pinard, O'Neil, Lopez, Garrity, Smith, and Forest voted yea. Alderman Thibault was absent. The motion carried.

Alderman Garrity moved that the Resolution ought to pass and layover as amended. Alderman Lopez duly seconded the motion. Mayor Guinta called for a vote. The motion carried with Aldermen Roy, Gatsas, Long, Shea, and DeVries duly recorded in opposition.

Alderman Roy stated I have a procedural question for the Mayor and you may direct this to Finance or the Solicitor of need be. In order for the City to bond does it take up to 10 votes.

Mayor Guinta responded yes.

Deputy City Clerk Johnson stated we have an addendum to the agenda. It is the Bond Resolutions that were contained as an addendum for the Board agenda.

Bond Resolutions:

“Authorizing Bonds, Notes or Lease Purchases in the amount of Three Hundred Thousand dollars (\$300,000) for the 2007 CIP 411907, Police/Fire CAD/RMS Project.”

“Authorizing Bonds, Notes or Lease Purchases in the amount of One Million Nine Hundred Seventy Five Thousand Dollars (\$1,975,000) for the 2007 CIP 510907, Parks Improvement Project.”

“Authorizing Bonds, Notes or Lease Purchases in the amount of Three Hundred Thousand Dollars (\$300,000) for the 2007 CIP 511007, School Recreation Facility Project.”

“Authorizing Bonds, Notes or Lease Purchases in the amount of Two Hundred Thousand Dollars (\$200,000) for the 2007 CIP 612407, Neighborhood Revitalization Project.”

“Authorizing Bonds, Notes or Lease Purchases in the amount of Three Hundred Thousand Dollars (\$300,000) for the 2007 CIP 711507, Annual Bridge Rehabilitation Program.”

“Authorizing Bonds, Notes or Lease Purchases in the amount of One Million Seven Hundred Twenty Five thousand Dollars (\$1,725,000) for the 2007 CIP 711607, Annual ROW Reconstruction Project.”

“Authorizing Bonds, Notes or Lease Purchases in the amount of Two Million Dollars (\$2,000,000) for the 2007 CIP 711807, PW/Fleet Maintenance Administrative Support Facility Project.”

“Authorizing Bonds, Notes or Lease Purchases in the amount of Four Hundred Thousand Dollars (\$400,000) for the 2007 CIP 711907, Residential 50/50 Sidewalk/Curb Program.”

“Authorizing Bonds, Notes or Lease Purchases in the amount of Five Hundred Thousand Dollars (\$500,000) for the 2007 CIP 712007, Storm Drain Infrastructure Project.”

“Authorizing Bonds, Notes or Lease Purchases in the amount of Eight Hundred Thousand Dollars (\$800,000) for the 2007 CIP 712107, Municipal Facility Improvements Project.”

“Authorizing Bonds, Notes or Lease Purchases in the amount of Two Hundred Fifty Thousand Dollars (\$250,000) for the 2007 CIP 712207, Hands Across The Merrimack Project.”

“Authorizing Bonds, Notes or Lease Purchases in the amount of Three Million Two Hundred Thousand Dollars (\$3,200,000) for the 2007 CIP 2\712607, WWTF – Replace Secondary Clarifier Project.”

“Authorizing Bonds, Notes or Lease Purchases in the amount of Six Hundred Fifty Thousand Dollars (\$650,000) for the 2007 CIP 712707, WWTF Facility Plan – Phase 2 Project.”

“Authorizing Bonds, Notes or Lease Purchases in the amount of One Million Two Hundred Fifty Thousand Dollars (\$1,250,000) for the 2007 CIP 712307, Cohas Phase 2 – Contract 1 Project.”

On motion of Alderman Pinard, duly seconded by Alderman Lopez it was voted to dispense with the reading by titles only.

Alderman DeVries moved that the Bond Resolutions ought to pass and layover. Alderman Lopez duly seconded the motion. Mayor Guinta called for a vote. The motion carried with Aldermen Roy, Gatsas, and Shea being duly recorded in opposition.

TABLED ITEMS

11. Resolutions:

“Authorizing the Finance Officer to effect a transfer of Twenty Thousand Dollars (\$20,000) from Contingency to Fire – Line.”

“Authorizing the Finance Officer to effect a transfer of One Hundred Thousand Dollars (\$100,000) from Contingency to Fire – Mechanical Division.”

“Authorizing the Finance Officer to effect a transfer of Forty Three Thousand Dollars (\$43,000) from Contingency to Police – Uniformed Police.”

(Tabled 05/02/2006 pending further review of the Contingency account by the Finance Department.)

This item remained on the table.

There being no further business, on motion of Alderman Pinard, duly seconded by Alderman Garrity it was voted to adjourn.

A True Record. Attest.

Clerk of Committee